

PAT McCRORY

Governor

NICHOLAS J. TENNYSON

Secretary

November 16, 2015

John W. Turcotte Director, Program Evaluation Division North Carolina General Assembly 300 N. Salisbury Street, Suite 100 Raleigh, NC 27603-1406

Dear Mr. Turcotte:

The Employee Supplemental Insurance Committee (Committee) at the North Carolina Department of Transportation appreciates the opportunity to review and comment on the Program Evaluation Division's Report No. 2015-07, "North Carolina Should Centralize Management of State Employee Supplemental Insurance Benefits." We acknowledge the effort that went into gathering information across agencies' Supplemental Insurance Committees, synthesizing the results and providing recommendations.

Generally, our Committee supports the recommendations in the report and underscores the following benefits of a centralized management system:

- The selection, contracting and administration of all supplemental insurance products would be more consistent, efficient and streamlined if done by a single dedicated statewide committee;
- 2. A "one-stop shop" concept for administration of all supplemental insurance products will make product comparison and selection easier and simpler; and
- 3. For some insurance products, there may be some economies of scale for group policies rather than multiple smaller ones.

While not part of the formal recommendations, we do support the use of subject matter experts – people who understand the insurance industry and the different types of products – as a resource for the committee members so that the most current and relevant information is brought to bear in support of decisions that are in the best interest of state employees.

However, we would like to express our concern with the prospect of a single, centralized committee making decisions regarding the types of insurance available to NCDOT employees without any input from a representative for our employees. We believe our workforce has needs that vary from most employees at other state agencies. For example, short-term disability is a product that has been popular with our field employees who have high exposure rates due to their working environment. This type of product may not be appropriate for all state employees, but it is a product that fills a need for a specific subset of NCDOT employees. Therefore, we wish to ensure that our employees' interests are brought forth to the statewide committee, either by having an NCDOT-appointed member on the committee, or in an advisory capacity, in order to provide supporting data and experienced-based information.



Again, thank you for the opportunity to review and comment on this report.

Sincerely.

fulle A. Hunkins, PE

ce Chair, Employee Supplemental Insurance Committee

JH/jh

cc: Secretary Nicholas Tennyson, NC Department of Transportation

David Tyeryar, Chief Financial Officer, NC Department of Transportation

Matt Daughtrey, Director, Payroll and Insurance, NC Department of Transportation



North Carolina Department of Health and Human Services

Pat McCrory Governor Richard O. Brajer Secretary

DHHS Employee Insurance Committee

November 16, 2015

Jeff Grimes, Senior Program Evaluator Program Evaluation Division NC General Assembly 100 Legislative Office Building Raleigh, NC 27603-5925

Dear Mr. Grimes:

The Department of Health and Human Services (DHHS) Employee Insurance Committee (hereafter referred to as the 'Committee') has no feedback to submit to the Joint Legislative Program Evaluation Oversight Committee in response to the report, "North Carolina Should Centralize Management of State Employee Supplemental Insurance Benefits."

The Committee is comprised of seven (7) DHHS employees, see attached listing. Email communications were sent to the Committee Members on October 16, 2015, and again on October 26, 2015, soliciting their feedback regarding the "North Carolina Should Centralize Management of State Employee Supplemental Insurance Benefits" report. However, no responses from the Committee Members were received. Please let us know if you need any additional information.

Sincerely,

David Shehdan

HR Deputy Director

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Attachment

cc: Paula Kukulinski, Interim Director, DHHS Human Resources

Felicia Davis, Benefits and Wellness Manager, DHHS Human Resources

DHHS EMPLOYEE INSURANCE COMMITTEE 2015

	Member Name	Division/Facility	Phone Number	Email Address	Term Years	Term Expire Date
	Felicia Davis-DHHS Benefits Mgr	Division of Human Resources	919-855-4923	Felicia.Davis@dhhs.nc.gov	N/A	N/A
1	Brink, Steve	Division of Vocational Rehab	919-855-3556	stephen.brink@dhhs.nc.gov	3 years	12/31/2018
2	Burton, David	Central Regional Hospital	919-764-5624	david.burton@dhhs.nc.gov	3 years	12/31/2016
3	Donaldson, Marjorie	Division of Budget & Analysis	919-855-4860	Marjorie Donaldson@dhhs.nc.gov	3 years	12/31/2016
4	Kindsvatter, Rob	Division of Medical Assistance	919-662-4543	Rob.Kindsvatter@dhhs.nc.gov	3 years	12/31/2017
5	Mann, Dr. Scott	Cherry Hospital	919-731-3206	Scott.Mann@dhhs.nc.gov	2 years	12/31/2015
6	Mays, Dennis	O'Berry NMTC	919-581-4014	Dennis.Mays@dhhs.nc.gov	3 years	12/31/2016
7	Taylor, Linda	Cherry Hospital	919-731-3361, ext. 224	Linda.Taylor@dhhs.nc.gov	2 years	12/31/2015

COMMITTEE ADVISORS

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